

STATE OF TEXAS INDUSTRIALIZED BUILDINGS

General Questions

1. What changes were made to the Industrialized Housing and Buildings law by the last legislative session?

Some of the changes made to Chapter 1202, Industrialized Housing and Buildings law, by the 81st Legislature, Regular Session, 2009 include the following.

- Change to Height Measurement Criteria The criteria for establishing height limitations of industrialized housing and buildings referenced in §§ 1202.002 and 1202.003 of the Occupations Code was deleted. Previously height was measured from the entrance of the building to the peak of the roof now it will be measured as stipulated by the applicable code. The mandatory building codes currently in effect may be found in §§ 70.100 and 70.101 of the rules governing Industrialized Housing and Buildings (rules may be downloaded from our website). §70.100(c) also provides the effective dates for past code editions adopted by the Texas Industrialized Building Code Council (Council).
- Relocatable Educational Facility (REF) A new type of structure was added to the types already regulated. Effective January 1, 2010, § 1202.004 of the Occupations Code requires that a relocatable educational facility, or "REF," used primarily as an educational facility for teaching the curriculum required by Section 28.002 of the Education Code meet all the provisions of the IHB law, even if the REF is built from the ground up at the installation site. REFs that are constructed in a manufacturing facility and are then moved to the installation site were already covered by the IHB law.
- Applicable Code for Alterations of Industrialized Buildings Effective September 1, 2009, alterations of portable industrialized buildings that bear an approved Texas decal or insignia are required to meet the latest edition of the International Existing Building Code (IEBC) adopted by the Texas Industrialized Building Code Council in accordance with the revisions to § 1202.1535 of the Occupations Code. Alterations of industrialized buildings were previously tied to the value of the building and the cost of the alterations.

2. What types of buildings are regulated by the Texas Industrialized Housing and Buildings (IHB) program?

Historically the IHB program has covered buildings constructed in one or more modules at a location other than the installation site and designed to be used as a commercial structure when installed. The buildings are closed construction and cannot be inspected at the installation site without disassembling the building or destroying a portion of the building.

Changes to the IHB law added a new classification of buildings that are also covered by the IHB program. Effective January 1, 2010, portable classrooms designed for teaching the curriculum required by the Education Code, regardless of whether the construction is closed or not, are required to meet all the provisions that are required for industrialized buildings. These buildings are called "Relocatable Educational Facilities" or REFs.

3. Are there any modular buildings that are not regulated by the IHB program?

Yes. Buildings that are regulated include permanent commercial structures and commercial structures designed to be transported from one commercial site to another commercial site, but do not include the following.

- A. A commercial building that exceeds 3 stories or 49 feet in height are not covered by the IHB program.
- B. A commercial building that is installed on a temporary foundation and that is either:
 - i. not open to the public; or
 - ii. less than 1,500 square feet in total area and used as other than school or a place of religious worship.
- C. Construction site buildings. A construction site building is a commercial structure that is not open to the public and used for any purpose at a commercial site by a person constructing a building, road, utility, or other infrastructure or improvement to real property.

Note: Many exempt commercial modular buildings have been constructed and labeled under the Texas IHB program to assure acceptance by municipalities and because many municipalities want the assurance that that the building has been constructed in compliance with the building codes. The policies of a municipality with regard to buildings not labeled under the IHB program are not covered under the Texas IHB statute or governed by IHB staff; however, buildings that are labeled under the Texas IHB program must comply with all requirements of the program.

4. What effect will the changes in the IHB statute have on school districts in Texas?

Effective January 1, 2010, school districts must ensure that all portable classroom buildings that meet the definition of a relocatable educational facility in § 1202.004 of the Occupations Code are certified under the Texas IHB program. Portable classrooms constructed in a manufacturing facility are already required to be certified, but now portable classrooms that are constructed at the school will also require certification. More information about these requirements may be found in § 70.79 of the Industrialized Housing and Buildings rules.

5. Are all portable buildings that are used as classrooms required to comply with the law?

Generally, yes. All portable classrooms that are constructed in a manufacturing facility are required to comply with the law. Portable classrooms that meet the definition of a site-built REF are also required to comply with the law. A site-built REF is a relocatable educational facility that is constructed at the first installation site and where the curriculum required under § 28.002 of the Education Code is taught. For additional questions, please contact us at (512) 539-5735 or industrialized.buildings@license.state.tx.us.

6. My school district bought or leased non-certified site-built REFs prior to January 1, 2010. Can the school district renew the leases on these classrooms? Can the school district sell these classrooms to be used as classrooms?

No. Site-built REFs that do not bear an IHB certification decal may not be sold or leased as a REF on or after January 1, 2010. For additional questions, please contact us at (512) 539-5735 or industrialized.buildings@license.state.tx.us.

7. Is housing covered by the IHB program? What is the difference between an "IHB" or industrialized (modular) house and a manufactured house?

Yes, housing is covered by the IHB program. Industrialized housing is defined in § 1202.002 of the Occupations Code as a residential structure designed for the occupancy of one or more families and constructed in one or more modules built at a location other than the permanent site. The modules are designed as a permanent residential structure and are installed on a permanent foundation.

The primary differences between industrialized housing and manufactured housing are as follows.

- Manufactured housing is constructed to Federal HUD code standards and industrialized housing is constructed to the same codes as traditional site built housing. For information on manufactured housing please contact the <u>Texas Department of Housing and Community Affairs</u> at 800-500-7074 (in state only) or (512) 475-2200.
- Industrialized housing must be installed on a permanent foundation system. Manufactured housing may be installed on either a temporary or permanent foundation system.
- Titles are not issued by this Department for industrialized housing. Typically, once installed the house becomes part of the real property and titles of ownership are provided the same as with site built houses and buildings.
- The modular sections that make up an industrialized house will each bear a certification decal (label). A description of these decals can be found in IHB Bulletin #97-001 on our web site.
- A municipality may not prohibit industrialized housing constructed under the IHB program from being placed inside city limits or restrict the houses to areas zoned for "manufactured housing." A <u>bulletin that outlines the areas of authority of a municipality with regards to industrialized housing</u> may be found on our web site.

8. My house has a chassis—doesn't this mean it's a manufactured house?

No, a chassis does not make the house a manufactured house. As long as the construction of the industrialized house complies with the mandatory building code, the house may be constructed of any materials allowed by the code. Industrialized (modular) housing may be constructed with a steel chassis.

Unlike site built housing, industrialized housing requires a means of transport to move the house to the installation site. In many cases, the house is designed with the means of transport, in this case the chassis or steel frame, as a structural component of the house. A chassis that is designed to remain with the house is required to comply with all applicable sections of the mandatory building code. However, the house must be

installed without the towing hitch, axles, brakes, wheels, and other parts of the chassis that operate only during transportation and are only there to facilitate transportation of the house.

9. What is the difference between an IHB manufacturer and an industrialized builder?

An IHB manufacturer is a person who constructs or assembles modules or modular components at a manufacturing facility. The modules or modular components are offered for sale or lease, sold or leased, or otherwise used.

An industrialized builder is a person who is engaged in the assembly, connection, and on-site construction and erection of modules or modular components at the building site. Alternately, an industrialized builder is a person who is engaged in the purchase of industrialized housing or buildings, modules, or modular components from a manufacturer for sale or lease to the public. A subcontractor of an industrialized builder does not have to be registered as an industrialized builder.

10. What is the difference between an IHB manufacturer and a REF builder?

A REF builder is a person who constructs a Relocatable Educational Facility (REF) at the first installation site. A person who constructs REFs in a manufacturing facility is not a REF builder, but a manufacturer. A person who assembles site-built REFs after the first installation is an industrialized builder.

11. What is the difference between an industrialized builder's registration and an installation permit?

Manufacturers cannot release an industrialized house or building to a person who does not have either an industrialized builder registration or an installation permit issued by the Department.

A person who is a retailer of industrialized housing or buildings, or who is responsible for the assembly, connection, and on-site construction and erection of an industrialized house or building for persons other than themselves, must be registered as an industrialized builder. Subcontractors do not require the registration unless required by other applicable state laws. For example, electricians, HVAC contractors, and plumbers must be licensed in accordance with the applicable state law.

If you are purchasing or leasing an industrialized house or building for your own use, or your company's use, you may file for an installation permit in lieu of registering as an industrialized builder.

12. I am purchasing an industrialized house and want to build my own deck. Do I have to be registered as an industrialized builder?

No, you do not have to be registered as an industrialized builder. If you are purchasing the house for your own use (you will live there), then you will need to file an application for a residential installation permit with the Department. You will describe the construction for which you will be responsible on the permit application. A copy of the permit application may be downloaded from our web site.

13. The local building official says that I need an IHB decal. How do I get one?

If the housing or building is already constructed it is too late to obtain IHB decals or insignia for the modules or modular components that make up the house or building. If the housing or building has not yet been constructed, then you may contact one of the Texas registered industrialized builders (retailers/installers) or certified (approved) Texas IHB manufacturers to purchase your building. If the building has not yet been constructed and is a site-built REF, then the builder must register as a REF builder and the municipality will be responsible for the inspections.

A <u>list of industrialized builders</u>, a <u>list of certified manufacturers</u>, and a <u>list of REF builders</u> are available on our web site in PDF format. Manufacturers that wish to become certified under the Texas IHB program may <u>download an information packet</u>.

14. Can industrialized housing be installed on a temporary foundation? What is the difference between a "permanent" foundation and a "temporary" foundation?

No, industrialized *housing* cannot be installed on a temporary foundation system.

Generally, a "permanent" foundation is a foundation system with the following characteristics.

- The foundation system and all related construction comply with the requirements of the mandatory building codes.
- The foundation system is capable of transmitting all design loads imposed by or upon the foundation and the attached building into soil or bedrock without failure.
- The structure is attached without the towing hitch, axles, brakes, wheels and other parts of the chassis that only operate during transportation.
- Ventilation and decay details are provided in accordance with code requirements.
- The use of ground anchors is not approved for permanent foundations.

A temporary foundation typically consists of tie downs and anchors consistent with the foundation systems employed for manufactured housing. The Texas Industrialized Building Code Council (Council) permits the use of temporary foundation systems for industrialized buildings subject to the acceptance of the approving agency. The documents, plans, and specifications for a temporary foundation system must include the following:

- a soil investigation report prepared by a qualified engineer, or if the exact site location is unknown, a description of the soil type for which the system is suitable;
- structural calculations and related plans prepared by a qualified engineer;
- specifications for adequate corrosion protection for the anchors and associated tie-down system; and
- the plans and specifications must clearly indicate that the system is designed for the temporary location of the structure.

Design review agencies may approve temporary foundation systems in compliance with the above, but the local authorities have the final say on what foundation system is appropriate for the installation site. The Council does not wish to force acceptance of a temporary foundation system where the building is to be placed in a permanent location, but determined that these systems may be adequate where a building is placed at a temporary location.

15. Chapter 1202 of the Occupations Code adopts the National Electrical Code, the Uniform Building Code group, and the Standard Building Code group as they existed on January 1, 1985, but the construction documents for modular housing and buildings installed within my jurisdiction indicate compliance with a later edition of the National Electrical Code (NEC) and the International Codes (I Codes). Is this legal?

Yes. <u>§ 1202.152 of the Occupations Code</u>, Industrialized Housing and Buildings, grants authority to the Texas Industrialized Building Code Council (Council) to adopt later editions of the codes adopted in § 1202.151. The mandatory building codes currently in effect may be found in <u>Department rule 70.100</u> and <u>70.101</u>. § 70.100(c) provides the effective dates for past code editions adopted by the Council.

16. Where can I obtain a copy of the mandatory building codes adopted under the Texas Industrialized Housing and Buildings program?

The mandatory building codes adopted under the Texas Industrialized Housing and Buildings program are published by the International Code Council (ICC) and can be purchased from the ICC. For more information visit the ICC web site.

The mandatory building codes currently in effect can be found in <u>Department rule 70.100</u> and <u>70.101</u> (rules may be downloaded from our web site at http://www.license.state.tx.us/ihb/ihbrules.htm).

17. Can a municipality prohibit buildings constructed under the IHB program from being placed inside their city limits or restrict these buildings to an area zoned for manufactured housing? If not, what authority do the municipalities have over IHB buildings?

No. There are areas of authority belonging to municipalities that are specifically and entirely reserved to them. However, the local requirements and regulations and others not in conflict with the IHB law or other state law relating to transportation, erection, or installation, or use, shall be reasonably and uniformly applied and enforced without distinction as to whether the housing or buildings are manufactured under the IHB program or are constructed on site.

In other words, a municipality must accept buildings that have been constructed under the Texas Industrialized Housing and Buildings program. If an area is zoned single-family residential, then the municipality must accept a single family residential IHB building in that area. If an area is zoned commercial, then the municipality must accept a commercial IHB building in that area. A municipality may enforce all local ordinances and zoning requirements that are not in conflict with the requirements of the IHB law.

A municipality may not require or enforce any amendments to the mandatory state codes for industrialized housing and buildings as a prerequisite for granting construction permits or certificates of occupancy. Additionally, a municipality must accept industrialized buildings as compliant with the current mandatory building code adopted under the Texas IHB program if the building has not been altered from the original plans (reference §1202.1535 of the Texas Occupations Code). Buildings that are altered may be recertified under the Texas IHB program. Once recertified the buildings must be accepted by municipalities as in compliance with the current mandatory building code adopted under the Texas IHB program.

The IHB law also grants municipalities more authority over industrialized housing provided that the municipality adopts ordinances. For example, a municipality may adopt an ordinance to require single family industrialized housing to have a value equal to or greater than the median taxable value for each single-family dwelling located within 500 feet of the proposed installation site.

More information concerning the <u>areas of authority of municipalities</u> may be found on our web site.

18. How do I transfer the title to my industrialized house or building?

There are no provisions in Chapter 1202 of the Occupations Code for the Department to issue or transfer titles for industrialized housing and buildings. Unlike manufactured housing, permanently installed industrialized housing or buildings are generally considered part of the real property and titles of ownership are provided the same as with site built housing and buildings.

19. Can I have my portable building recertified if it is altered? Is the altered building required to meet the mandatory building codes currently adopted under the IHB program?

Yes, if the building bears an IHB certification decal. Portable buildings that bear an IHB certification decal may be recertified if altered. <u>Procedures for recertifying an existing industrialized building</u> may be downloaded from our web site.

A portable building that does not have an IHB decal cannot be recertified under the Texas program.

The alterations must comply with the edition of the International Existing Building Code that is currently adopted by the Texas Industrialized Building Code Council. The <u>effective edition of the code</u> may be found on our web site.

For additional questions, please contact us at (512) 539-5735 or industrialized.buildings@license.state.tx.us.

Licensing Questions

1. Can I apply for an installation permit for the installation of an industrialized house that will then be sold as real estate with the property on which it is installed?

No. An installation permit can only be obtained for the purchase and installation of an industrialized house if you plan to live in the house after it is installed. The intent of an installation permit was to give some relief from

the registration requirements for an industrialized builder to a person who wants to purchase an industrialized house to live in and who is willing to take responsibility for the foundation and installation of the house.

2. Why do I have to give you my social security number when applying for registration?

In order to comply with the laws relating to child support enforcement under Parts A and D of the federal Social Security Act (42 U.S.C. Sections 601-617 and 651-669), Texas Family Code Section 231.302(c)(1) requires Texas State licensing agencies to obtain the social security numbers of all persons requesting a license or registration. Please be assured that the furnishing of social security numbers will be for the limited purpose of complying with the Family Code Section 231.302(c)(1). This information will not be used for any other purpose or made available to any other individual, organization or entity. Under Texas Attorney General Open Records Opinion No. 622 (January 27, 1994) even an open records request will not force us to release such information.

3. Does the Texas IHB program have reciprocity with any other state modular construction program?

No, the Department does not currently have reciprocity with any other state modular construction programs. Please see the IHB web site at http://www.license.state.tx.us/ihb/ihbreciprocity.htm for more information about reciprocity with other states.

4. How does a manufacturer become a certified (approved) industrialized housing and buildings manufacturer for Texas?

A manufacturer's information packet may be downloaded from our website at www.license.state.tx.us/IHB/041IHB.htm. A flow chart showing the steps to becoming a certified IHB manufacturer is available online in PDF format. A checklist of the pre-certification requirements that must be fulfilled prior to the start of a Texas certification inspection may be found at www.license.state.tx.us/IHB/pdf/019ihb.pdf.

5. If I was on active duty in the National Guard, do I have any additional time to complete continuing education and other requirements related to the renewal of my license?

Yes. If you were a member of the state military forces or a reserve component of the armed forces of the United States, such as the National Guard, and you were ordered to active duty on or after September 1, 2004, you have additional time equal to the total number of years or parts of years that the you served on active duty.

When you apply to renew your license you must provide documentation of the date your active duty began and the date it ended.

If you did not renew this license in a timely manner, you are exempt from paying a late renewal fee if you furnish the Department with military documentation indicating you were on active duty during the time that your license expired. This documentation would show the date your active duty began and the date it ended.

Enforcement Questions

1. How do I file a complaint against a licensee?

You <u>may file a complaint online from our website</u> or contact the department at 800-803-9202 (Texas only) or 512-463-6599.

Communication Questions

1. How may I receive notification of new and changing information with your department?

You may sign up on the <u>TDLR E-mail Subscriber Notification Lists</u>. These list(s) were established to allow subscribers to receive automated notification of new and changing information. To include yourself in the TDLR e-mail notification list(s), follow the instructions on the page.